

CITY MANAGER'S OFFICE MEMORANDUM

May 24, 2018

TO: Marcus Jones, City Manager

Jason Kay, Special Assistant to the City Manager

FROM: Dana Fenton, Intergovernmental Relations Manager

SUBJECT: 2018 State Legislative Report #1

Session Start:

The North Carolina General Assembly's 2018 short session convened on Wednesday, May 16. Since convening, House and Senate leaders have been concentrating primarily on budget negotiations. Legislators have been busy filing bills covering a variety of topics including among others, revenue laws, school safety, second amendment, water quality, and alcoholic beverage control issues. Bill filing deadlines for most legislation expire within the next two weeks.

State Budget:

In the short session, the primary responsibility of the General Assembly is to amend the 2017-2019 State Budget. House and Senate leaders held a press conference on May 7 to discuss the budget process, the media report of which can be viewed here.

House and Senate leaders are reportedly planning on unveiling their recommendations for the amended budget early in the week of May 28 and sending the package to the Governor by the end of that week. The budget will include pay raises for teachers. Reportedly, the House and Senate are contemplating work requirements for some Medicaid recipients.

There have been numerous news reports on the procedural moves the leadership plans to use to pass the budget that can be read <u>here</u>, <u>here</u> and <u>here</u>.

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Economic Development:

House and Senate leadership held a press conference on May 17 to announce proposed enhancements to economic development incentives that is intended to attract major manufacturing and technology headquarters employers to the State. Specifically, the proposal would lower the required numbers of employees and private investment in the Transformative Project category. The media is reporting that the intent is to attract Apple to the Triangle, but the leadership was silent as to which if any companies are targeted by the proposal. Media coverage of this event can be read here.

Future Communications:

Staff will be submitting weekly reports through the Council-Manager Memo for the remainder of the short session. In the event there is breaking information to relay to Mayor and Council, staff will take appropriate steps to inform of such breaking information. Of course, Mayor and Council should always feel free to contact me at (704) 408-7393 in the event of any questions or comments.